



# Entrepreneurship

In the [Umsebenzi Online of 30 June 2010](#), SACP GS Dr Blade Nzimande wrote that we must ***“Fight Tenderpreneurs to defend entrepreneurship!!”***

*The GS wrote: “Entrepreneurs, found in co-operatives, small and medium sized businesses, are all those who genuinely and honestly go about doing business, including tendering for government work.”*

*The **attached** item today is a short article of Professor Michael Morris’s, published in 1996 in the Business Day, which debunked a number of misconceptions about so-called “entrepreneurship”.*

*Morris wrote, among other things, that: “The entrepreneurial*

*individual recognises a trend, a possibility, an unmet demand. He or she comes up with a concept for capitalising on the trend or demand and does so while the window of opportunity is open.”*

*This is the same “cultured trader” point as Lenin is making. Lenin knew that the setting up of producer co-operatives without attention to their markets would be a disastrous waste.*

*Morris also says: “Entrepreneurial individuals are opportunity-driven, not resource-driven.” This may be the truest of the many true things that Morris noticed about entrepreneurs.*

*Business is driven by the customer. It is not true, as Jean-Baptiste Say used to believe, that supply creates its own demand. The entrepreneur’s job is to identify demand, where demand means people wanting goods or services, and ready and willing to pay for them promptly, and at a price that will ensure a profit to the entrepreneur.*

*Most co-ops in South Africa are set up in what Lenin referred to as the “Asiatic manner”, expecting to produce first and sell later. Whereas, as Lenin pointed out, to be a good co-operator one must be what he called a “cultured trader”. Above all, this means securing the demand before you make (or buy) and supply. The entrepreneur is a trader, and a cultured trader.*

*A great deal follows from that, and these are the considerations that define the world around the co-operatives, small and medium sized businesses that Dr Blade Nzimande referred to. Most of these considerations are obscured or downright lied-about in capitalist literature. Morris's short article is a rare example of relative candour in the business press, which makes it very well worth reading.*

*The market is crucial, but contrary to what the bourgeois ideologues keep on saying, the market is not free or open. It is we, the opponents of monopoly capitalism, who are the true "free-marketeers". Small businesses, including co-ops, to survive, must have access to markets that are not dominated by predatory monopolistic market manipulators; and if they are selling to the state, they must be paid on time and in full. These conditions hardly exist in South Africa, which has historically been monopolistic in the extreme, and whose government, on the other hand, is a notoriously slow payer.*

*The Chinese delegation that visited South Africa in 2009 told us that the Chinese peasants are guaranteed a market by the state, at the same price that private buyers are prepared to pay.*

*South Africa will also have to pay attention to the question of the market for peasant, petty-bourgeois, and co-operative production, which is so clear in Lenin's approach and which he explicitly recommends.*

*Even if it may not always be a matter of the state setting up*

*co-ops, yet the mass social development of peasants and petty-bourgeois is always going to be a matter of educating, organising, and mobilising. Paradoxically, and for this reason, the petty-bourgeoisie needs the communists.*

**Illustration:** *“Entrepreneur” means one who “holds together”, as the ring in the picture holds together the chains. Most especially, the business entrepreneur holds together demand and supply.*

- The above is to introduce the original reading-texts: [Dismissing Myths and Misunderstandings of Entrepreneurship, Morris](#).
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